

PLAN FOR THE FUTURE OF YOUR BUSINESS

DEVELOP A BUSINESS ACTION PLAN

Peter Saccasan — Director of Pharmacy Services, RSM Bird Cameron
Ashley McKertich — CEO of Good Pharma and Director Zenbuu Pty Ltd
Marion Whalan — National Manager, Business Support

Every pharmacy business owner and manager knows the daily challenge is knowing what to do, when to do it, and how best to do it.

Some days these are the challenges that keep us awake at night. Anyone who has developed a business plan acknowledges that the value of the plan is in its development; by nature that means that the value is in the planning process — the time to think, evaluate, plot and action.

Now is the time to work on your business; to develop a plan that safely navigates your pharmacy business through the next few years as further PBS changes take effect. Business resilience involves purposeful action to work out your plan, commit to change and incrementally adjust.

Action planning is a process which will help you to focus your ideas and to decide what steps you need to take to achieve particular goals that you set for your business. An action plan executes the strategies you have developed through your business planning process.

It helps you to organise and prioritise your activities in order to achieve your stated business mission and goals and execute the strategies you have developed.

Before you move into the action plan, it is very important that you take the time to review where you are, determine your vision and then set down clear goals you wish to achieve.

How you achieve these goals is by implementing one or more strategies that will make each goal a reality. And the actions are the steps you need to take to execute each strategy.

The action plan is achieved by breaking down the strategies you developed into small, achievable steps and then identifying the actions you need to take for each step. It can be used as a short term (6-12 months) action plan to achieve short term business goals, a medium term action plan (2-3 years) or a long term action plan (3-5 years).



Your action plan explains the specific actions that need to take place in order to achieve the business strategy, including the timeframe, roles and responsibilities, performance indicators and alternative methods that can be implemented to reach the business objectives.

Generally, the focus should be kept to a small and manageable number of goals. This helps to keep the plan realistic and achievable.

For each action you should identify

- The timeframe and priorities for each action
- The people who will be responsible for undertaking each action
- Specific performance indicators to help you determine in the future whether your business has succeeded in achieving the business goal

Breaking the various tasks down into simple and specific steps enables you to keep the plan on track and avoid getting overwhelmed or losing control.

An important step is being able to evaluate within a set period of time if the action plan has been a success. Failing to do so could result in a plan that continues on indefinitely without ever actually achieving anything positive for the business.

To evaluate your action plan, you should have specific key performance indicators (KPIs) which tell you if you are making progress. Be critical of each strategy's success or failure in this stage. If your original targets were too optimistic, reset them in order to keep the team enthused and focused.

Sometimes it may become apparent that an action plan has failed to meet its objectives, therefore you may need to reassess and redefine your original strategies and start again at the beginning, rather than waste resources on a plan that isn't working.

Right at the start, we highlighted that you will set your goals, then the strategies to achieve these goals and your action plan will fall out from there, with KPIs that will tell you if you are being successful.



‘A strategy that is 90% right but 100% executed is better than one which is 100% right and never executed.’

Peter Saccasan, RSM Bird Cameron

When setting your goals and KPIs, it is important to ensure that they are practical. To help you do this you can use what is called the ‘SMART’ test. The SMART test ensures that your goals are:

S — Specific: Great goals are well-defined and focused. The moment you focus on a goal, your goal becomes a magnet, pulling you and your resources toward it.

M — Measurable: A goal without a measurable outcome is like a sports competition without a scoreboard or scorekeeper. Numbers are an essential part of business. Put concrete numbers in your goals to know if you’re on track. A goal white board posted in your office can help as a daily reminder to keep yourself and your employees focused on the targeted results you want to attain.

A — Achievable: Check pharmacy industry benchmarks to get a handle on realistic performance outcomes to set smart goals.

R — Realistic: Achievable business goals are based on the current conditions and realities of the broader sector, as well as the available resources and expertise within the business.

T — Time bound: Business goals and objectives just don’t get done when there’s no time frame tied to the goal-setting process. Whether your business goal is to increase revenue by 20% or find 15 new customers, choose a time-frame in which you will seek to accomplish your goal.

YOUR BUSINESS PLAN TEMPLATE

ANALYSE	<p>ANALYSE</p> <p>Look at your data. What trends do you observe? Identify areas where you are doing well and areas that need improvement. Do you need to work on script growth? Do you need to improve your professional services? Can you grow the retail arm of your pharmacy? Do you need to control costs within your pharmacy?</p>	<p>Review your</p> <ul style="list-style-type: none"> • Finance reports • ScriptMAP reports • Sales reports • Industry financial benchmarks • Management practices and systems <p>Talk to your</p> <ul style="list-style-type: none"> • Accountant • Bank's Relationship Manager
WHY	<p>WHY?</p> <p>Determine your vision. What is your pharmacy's mission? To what purpose are your pharmacy's goals directed? Your vision determines what you will do and what you won't do. If you achieved all your goals your pharmacy would look like ... Your vision is the "why" of your plan.</p>	<p>For example</p> <ul style="list-style-type: none"> • To be the best provider of healthcare solutions in our community • To be the best retailer of products for health and beauty • To be the first source of trusted advice for families when it comes to their health issues • To be the cheapest pharmacy in town
WHAT	<p>WHAT?</p> <p>What are your business goals? Goals should be SMART – Specific, Measurable, Achievable, Realistic and Timely.</p>	<p>For example</p> <ul style="list-style-type: none"> • Achieve an increase in script growth of xx% over 12 months • Implement professional services to provide \$xxx of net contribution to profit • Achieve retail sales growth of xx% by increasing professional engagement with the customer
HOW	<p>HOW?</p> <p>What strategies will you use to support these goals?</p>	<p>For example</p> <ul style="list-style-type: none"> • Increase customer engagement by being more visible in the community • Become an expert in something — establish a medical compression garment clinic • Improve the customer experience by implementing a Maître d' Pharmacist role • Develop an engaging social media presence
ACT	<p>ACT</p> <p>What actions are needed to implement these strategies? The list opposite contains actions across different strategies. You would have an action list for each strategy.</p>	<p>For example</p> <ul style="list-style-type: none"> • Develop a Maître d' pharmacist roster • Support the community • Build relationships with key stakeholders in allied health • Fit out consult room with hardware and software • Set up a business profile on Facebook
WHO/WHEN	<p>WHO/WHEN</p> <p>Who will be responsible for these actions? What is your timeframe for completion?</p>	<p>Remember</p> <ul style="list-style-type: none"> • Delegate. Give your team members ownership of actions. Be sure to provide them with the resources and time to achieve these actions • Be realistic. Make your timeframes achievable. Follow up. Adhere to the timeframes
REVIEW	<p>REVIEW</p> <p>How will you measure whether you have achieved your goal?</p>	<p>For example</p> <ul style="list-style-type: none"> • Measure pharmacist floor time • Calculate number of referrals over defined time period • Consults are able to be executed seamlessly • Pharmacy has live profile on Facebook